



GARY R. HERBERT  
Governor

GREG BELL  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

Outgoing  
C0070039  
#4052  
OK

August 7, 2012

Erwin Sass, General Manager  
Canyon Fuel Company, LLC  
P.O. Box 1029  
Wellington, Utah 84542

Subject: 2011 Annual Report, Task ID #4052, Canyon Fuel Company, LLC, Dugout Mine,  
C/007/0039

Dear Mr. Sass:

The Division received the 2011 Annual Report for the Dugout Mine on March 15, 2012. The Division completed the review on June 29, 2012 and requested additional information regarding the Refuse Pile Assessment. This information was received on July 26, 2012 and has been reviewed and approved for incorporation into the Mining and Reclamation Plan.

This modification does not necessitate an update to the Technical Analysis. A stamped incorporated copy is enclosed for your copy of the Mining and Reclamation Plan.

If you have any questions, please feel free to call me at (801) 538-5325.

Sincerely,

Daron R. Haddock  
Coal Program Manager

DRH/sqs  
Enclosure  
cc: Price Field Office  
O:\007039.DUG\Approval.doc

Canyon Fuel Company, LLC  
Dugout Canyon Mine  
P.O. Box 1029  
Wellington, Utah 84542

Incoming, Annual Report  
C0070039  
#4052  
OK



July 23, 2012

Utah Coal Regulatory Program  
Utah Division of Oil, Gas and Mining  
1594 West North Temple, Suite 1210  
Salt Lake City, UT 84114-5801

RE: 2011 Refuse Pile Assessment, 2011 Annual Report for Dugout Canyon Mine, C/007/039

Dear Daron:

Enclosed please find an addition to RA Attachment 5-3. The page provides information pertaining to activities at the Dugout Canyon Mine refuse pile during 2011 as requested in a letter from the Division staff concerning the review of the 2011 Annual Report.

Should you have any questions concerning this submittal, please contact Dave Spillman at (435) 636-2872.

Sincerely yours,

Vicky S. Miller

Enclosures

cc: Dave Spillman (enclosures)

RECEIVED

JUL 26 2012

DIV. OF OIL, GAS & MINING

## APPLICATION FOR COAL PERMIT PROCESSING

Permit Change ☒ New Permit ☐ Renewal ☐ Exploration ☐ Bond Release ☐ Transfer ☐

Permittee: Canyon Fuel Company, LLC

Mine: Dugout Canyon Mine

Permit Number: C/007/039

Title: Revision to RA Attachment 5-3, addition of 2011 Refuse Pile Assessment

Description, Include reason for application and timing required to implement:

**Instructions:** If you answer yes to any of the first eight (gray) questions, this application may require Public Notice publication.

- ☒ Yes ☐ No 1. Change in the size of the Permit Area? Acres: \_\_\_\_\_ Disturbed Area: \_\_\_\_\_ ☐ increase ☐ decrease.
- ☐ Yes ☒ No 2. Is the application submitted as a result of a Division Order? DO# \_\_\_\_\_
- ☐ Yes ☒ No 3. Does the application include operations outside a previously identified Cumulative Hydrologic Impact Area?
- ☐ Yes ☒ No 4. Does the application include operations in hydrologic basins other than as currently approved?
- ☐ Yes ☒ No 5. Does the application result from cancellation, reduction or increase of insurance or reclamation bond?
- ☐ Yes ☒ No 6. Does the application require or include public notice publication?
- ☐ Yes ☒ No 7. Does the application require or include ownership, control, right-of-entry, or compliance information?
- ☐ Yes ☒ No 8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling?
- ☐ Yes ☒ No 9. Is the application submitted as a result of a Violation? NOV # \_\_\_\_\_
- ☐ Yes ☒ No 10. Is the application submitted as a result of other laws or regulations or policies?
- Explain: \_\_\_\_\_
- ☐ Yes ☒ No 11. Does the application affect the surface landowner or change the post mining land use?
- ☐ Yes ☒ No 12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2)
- ☐ Yes ☒ No 13. Does the application require or include collection and reporting of any baseline information?
- ☐ Yes ☒ No 14. Could the application have any effect on wildlife or vegetation outside the current disturbed area?
- ☐ Yes ☒ No 15. Does the application require or include soil removal, storage or placement?
- ☐ Yes ☒ No 16. Does the application require or include vegetation monitoring, removal or revegetation activities?
- ☐ Yes ☒ No 17. Does the application require or include construction, modification, or removal of surface facilities?
- ☐ Yes ☒ No 18. Does the application require or include water monitoring, sediment or drainage control measures?
- ☒ Yes ☐ No 19. Does the application require or include certified designs, maps or calculation?
- ☐ Yes ☒ No 20. Does the application require or include subsidence control or monitoring?
- ☐ Yes ☒ No 21. Have reclamation costs for bonding been provided?
- ☐ Yes ☒ No 22. Does the application involve a perennial stream, a stream buffer zone or discharges to a stream?
- ☐ Yes ☒ No 23. Does the application affect permits issued by other agencies or permits issued to other entities?

**Please attach four (4) review copies of the application. If the mine is on or adjacent to Forest Service land please submit five (5) copies, thank you.** (These numbers include a copy for the Price Field Office)

I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein.

David Spillman  
Print Name

David Spillman, Engineering Manager  
Sign Name, Position, Date

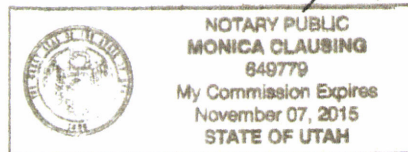
Subscribed and sworn to before me this 23<sup>rd</sup> day of July, 2012

Mon S. Clark  
Notary Public

My commission Expires: 7-23-12, 2012

Attest: State of UT

County of Carbon



For Office Use Only:

Assigned Tracking  
Number:

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JUL 26 2012

DIV. OF OIL, GAS & MINING

# APPLICATION FOR COAL PERMIT PROCESSING

## Detailed Schedule Of Changes to the Mining And Reclamation Plan

**Permittee:** Canyon Fuel Company, LLC

**Mine:** Dugout Canyon Mine

Permit Number: C/007/039

**Title:** Revision to RA Attachment 5-3, addition of 2011 Refuse Pile Assessment

Provide a detailed listing of all changes to the Mining and Reclamation Plan, which is required as a result of this proposed permit application. Individually list all maps and drawings that are added, replaced, or removed from the plan. Include changes to the table of contents, section of the plan, or other information as needed to specifically locate, identify and revise the existing Mining and Reclamation Plan. Include page, section and drawing number as part of the description.

**DESCRIPTION OF MAP, TEXT, OR MATERIAL TO BE CHANGED**[illegible]

**Any other specific or special instruction required for insertion of this proposal into the Mining and Reclamation Plan.**

**The "Refuse Pile Amendment" is a stand alone document**

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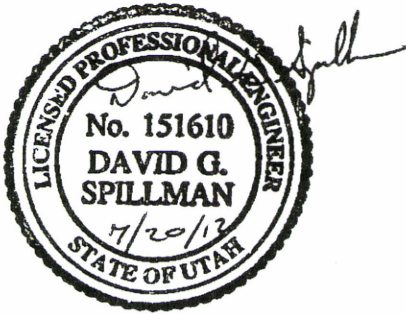
## **Dugout Canyon Mine Refuse Pile**

### **2011 Annual Assessment**

The following information has been determined for the 2011 activities conducted at the Dugout Canyon Mine Refuse Pile:

- 2011 Total Delivered Tonnage – 221,149 Tons
- Estimated Density of the Placed and Compacted Refuse – 117 lbs/ft<sup>3</sup>
- Calculated Placed Refuse Volume – 3,780,325 ft<sup>3</sup> (140,012 yd<sup>3</sup>)
- Permitted Capacity Remaining at Year's End – 4,212,006 ft<sup>3</sup> (246,402 Tons @ 117 lbs/ft<sup>3</sup>)
- Approximate Elevation – 5,988 ft (Upper Working Pad Surface – November 2011)

David G. Spillman, P.E.  
Technical Services Manager  
P.E. No. 151610-2202, State of Utah



INCORPORATED

AUG 07 2012

Div. of Oil, Gas & Mining